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PAUL SARBANES

Maryland

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FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

Senator Paul S. Sarbanes
309 Hart Senate Office Building
Washington, D.C. 20510

Dear Senator Sarbanes:

I request your assistance on behalf of your constituent television station, WNUV-TV UPN Channel 54.

Current FCC regulations now under review by the FCC prohibit the ownership of more than one television station in the same market by the same person or entity. This prohibition dates from the early days of television when there were few stations and a scarcity of media outlets. Unfortunately, the FCC has failed to keep pace with the marketplace. Today, the consumer has numerous media choices (e.g. free, over-the-air broadcast, cable, satellite, on-line services, and print). The number of broadcast stations has increased significantly in all markets since the FCC's duopoly rules were developed. Now it is not unusual to have six, seven or more broadcast television stations in the same market.

Some television stations have become competitive by entering into local marketing agreements. An LMA is an arrangement permitted by the FCC which allows a licensee to sell blocs of air time on its station to another station in the same or adjacent market, which then supplies programming to fill that time and sells advertising to support it. An LMA enables two stations to take advantage of economies of scale. The success stories that have resulted from LMAs are numerous. [LMAs allow the flexibility to offer innovative, community-oriented programming. For example, WBFF-TV Fox 45 recently helped launch a newscast on WNUV-TV UPN 54 as a result of an LMA. The format, content, and time slots are completely different between the two news operations.] The Baltimore constituency benefits by having two additional affiliate stations offering competing programing from which the consumer may choose. In another example, an LMA in Birmingham saved a station from near bankruptcy 18 months ago. Today, that station is in neck-and-neck competition as the number one station in the market.

Sinclair hopes to duplicate the success of the Baltimore news operation in other markets where Sinclair has LMAs. However, the chances of this occurring may be damaged by actions reportedly being considered by the FCC. The FCC is considering abolishing all existing LMAs or radically altering them. Such action contradicts the *Telecommunications Act of 1996* (Title II Sec 202) which grandfathered LMAs. The very nature of the LMA joint venture has led to increased (in some cases, head-to-head) competition among stations and it has increased diversity and choice for the consumer. Many of the LMAs in the broadcast industry include stations affiliated with the newer networks (Fox, UPN, and WB) and independent stations, as

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well. The forced termination of LMAs could deal a crushing blow to competition, diversity and the viewer.

I request you write a letter to the FCC Commissioners urging them to grandfather LMAs which is the law and the intent of the Congress. Additionally, I request you send a similar letter to the Chairman and Ranking Member of the Senate Commerce Committee requesting their assistance in this matter. It is clear the FCC is not operating in the best interests of the public. Tampering with LMAs will inhibit the diversity which they promote.

Thank you in advance for your assistance in this matter.

Kindest regards,

Mark

Mark E. Hyman
Director, Government Relations

cc: Mr. Steve Marks (WNUV-TV)